

PX 729

Message

From: Brad Garlinghouse [REDACTED@ripple.com]
on behalf of Brad Garlinghouse [REDACTED@ripple.com]> [REDACTED@ripple.com]
Sent: 9/24/2018 11:17:38 AM
To: [REDACTED] GSR [REDACTED] [REDACTED@gsr.io]>
Subject: Re: Update

Thanks for the update [REDACTED]

Brad

On Mon, Sep 24, 2018 at 9:30 AM [REDACTED] [REDACTED@gsr.io]> wrote:
Good morning Brad,

We restarted the bots very early on Friday morning (European time). We had been waiting for trading volumes to increase after a sluggish start to the week, and were encouraged by the demand we observed during Friday morning's Asian trading hours. Technically XRP/USD and XRP/BTC looked very good, so after observing that 40% of the (very high) short interest was covered overnight, we felt confident that our actions were constructive.

For good order sake, going forward your bots will stay on unless you instruct us otherwise.

Regards,

[REDACTED]

[REDACTED]
[REDACTED]
GSR Co-Founder
[REDACTED]

On 15 Sep 2018, at 13:00, [REDACTED] [REDACTED@gsr.io]> wrote:

Good morning Brad,

My apologies for sending you this email so late, it's been a hectic week. I'd like to give you some colour on why we decided to pause the XRP selling bots on Tuesday evening.

The week earlier (from the 5th to the 6th) XRP broke the \$0.32 support level, and started building support around \$0.29. But on the 9th XRP prices gapped down again, from \$0.29 to \$0.265, bringing the weekly change to almost down 30%. Throughout this price action, trading volumes stayed healthy, and consequently our bots were introducing a significant amount of XRP into the exchanges for selling.

Although we don't have a crystal ball, it seemed obvious to us that from the 9th onwards the price of XRP was grinding lower due to our continued liquidation. The order books were very thin (across all markets, not just XRP) and we didn't think it was constructive to the market to keep adding fuel to the fire. Hour after hour, XRP just kept grinding lower so when it reached \$0.25 we paused the bots.

The market has rebounded from the lows of Sep 11. XRP is in the middle of the pack (it has recovered more than BTC, but less than ETH). Order-books are still thin (across the board, not just XRP), so we recommend observing how the market develops early next week before resuming operations. We will keep you informed and let you know when we restart the bots.

Once again, sorry for the slow communication.

Regards,

